

**TO: THE CHIEF EXECUTIVE OR MANAGING OFFICER OF ALL LOUISIANA
STATE-CHARTERED CREDIT UNIONS**

FROM: JOHN DUCREST, COMMISSIONER

DATE: JULY 16, 2008

RE: FINANCIAL UPDATE

In the aftermath of the recent failure of IndyMac Bancorp, you may be receiving calls from members regarding the financial condition of your credit union. As can be seen in the following chart, a great majority (92 percent) of state-chartered credit unions in Louisiana are rated in the highest two categories under the regulatory CAMEL ratings system. Based on key financial indicators relating to capital, asset quality, and earnings, the overall financial condition of state-chartered credit unions in Louisiana remains extremely sound at this time. Management is experienced, capable, and operated under extremely adverse conditions following Hurricanes Katrina and Rita in 2005. All accounts are insured by the NCUSIF up to applicable limits and can be structured in a manner that provides maximum coverage for your members.

CAMEL Ratings for All Credit Unions domiciled in Louisiana @ 12/31/07 - The following chart provides CAMEL rating information for ALL credit unions domiciled in the State of Louisiana as of December 31, 2007:

Composite CAMEL	All CU's %	State CU's %	Federal CU's %
Rating of "1"	52 22%	25 51%	27 14%
Rating of "2"	117 50%	20 41%	97 52%
Rating of "3"	59 25%	4 8%	55 30%
Rating of "4"	8 3%	0 0%	8 4%
Rating of "5"	0 0%	0 0%	0 0%
Not Yet Rated	0 0%	0 0%	0 0%
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TOTAL	236	49	187
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If you have any questions, please contact me directly at 225/922-2627 or jducrest@ofi.louisiana.gov, or Chief Examiner Sid Seymour at 225/925-4675 or ss Seymour@ofi.louisiana.gov.